

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:5396

ANSWERED ON:28.04.2003

SHORTAGE OF AVIATION CAPACITY

GANGASANDRA SIDDAPPA BASAVARAJ;LAXMAN GILUWA;MANSUKHBHAID. VASAVA

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government have conducted any survey regarding shortage of aviation capacity and inadequate traffic demand;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether airlines have been incurring huge losses in absence of the said survey; and
- (e) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)

(a),(b)and (c): Although no such survey has been conducted by the Government in the recent past, the capacity and demand scenario in the aviation sector is being constantly monitored by the Government. As far as international sector is concerned, bilateral discussions are held with various countries from time to time to review the growth in traffic and capacity. The problem of seasonal demand surges is also addressed through adoption of open sky policy during the peak winter tourist season. As regards domestic sector, a committee was constituted in April 2001 under the Chairmanship of DGCA to assess the potential of growth in the domestic sector for the next five years. The Committee concluded that although annual growth rate of domestic traffic may fluctuate, it is more likely to grow at an average rate of 5% during the period 2001 to 2005 and can go up to 7% provided certain other factors are favourable. It was decided to take into consideration the report while considering fresh cases for grant of NOC for air transport services and import of aircraft on case-to-case basis subject to fulfilment of other requirements/parameters.

(d) and (e): Do not arise in view of the above.